

Public Law 97-253
97th Congress

An Act

To provide for reconciliation pursuant to the first concurrent resolution on the budget for fiscal year 1983 (S. Con. Res. 92, Ninety-seventh Congress).

Sept. 8, 1982
[H.R. 6955]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Omnibus Budget
Reconciliation
Act of 1982.

SHORT TITLE

SECTION 1. This Act may be cited as the "Omnibus Budget Reconciliation Act of 1982".

TITLE I—AGRICULTURE, FORESTRY, AND RELATED
PROGRAMS

Subtitle A—Dairy Price Support Program

SEC. 101. Section 201 of the Agricultural Act of 1949, as amended by the Agriculture and Food Act of 1981, is amended by—

95 Stat. 369.
7 USC 1446.

(1) effective October 1, 1982, striking out everything in subsection (c) after the first sentence and preceding the sentence which begins "Such price support shall be provided";

(2) adding a new subsection (d) as follows:

"(d) Notwithstanding any other provision of law—

"(1)(A) Effective for the period beginning October 1, 1982, and ending September 30, 1984, the price of milk shall be supported at not less than \$13.10 per hundredweight of milk containing 3.67 per centum milkfat.

"(B) Effective for the fiscal year beginning October 1, 1984, the price of milk shall be supported at not less than such level that represents the percentage of parity that the Secretary determines \$13.10 represented as of October 1, 1983.

"(C) The price of milk shall be supported through the purchase of milk and the products of milk.

"(2) Effective for the period beginning October 1, 1982, and ending September 30, 1985, the Secretary may provide for a deduction of 50 cents per hundredweight from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Commodity Credit Corporation to offset a portion of the cost of the milk price support program. Authority for requiring such deductions shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk would be less than 5 billion pounds milk equivalent. If at any time during a fiscal year the Secretary should estimate that such net price support purchases during that fiscal year would be less than 5 billion pounds, the authority for requiring such deduction shall not apply for the balance of the year.

"(3)(A) Effective for the period beginning April 1, 1983, and ending September 30, 1985, the Secretary may provide for a

deduction of 50 cents per hundredweight, in addition to the deduction referred to in paragraph (2), from the proceeds of sale of all milk marketed commercially by producers to be remitted to the Corporation. The deduction authorized by this subparagraph shall be implemented only if the Secretary establishes a program whereby the funds resulting from such deductions would be refunded in the manner provided in this paragraph to producers who reduce their commercial marketings from such marketings during the base period. For the purpose of this paragraph, the based period shall be the fiscal year beginning October 1, 1981, or at the option of the Secretary, the average of the two fiscal years beginning October 1, 1980. The Secretary may make such adjustments in individual bases under this subparagraph as the Secretary determines necessary to correct for abnormal factors affecting production and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

Based period.

Refunds.

“(B) Refunds under this paragraph shall be based on reductions in commercial marketings as specified by the Secretary, but the Secretary may not require as a condition for making a refund of the entire amount collected from a producer that the producer reduce marketings in excess of a reduction equivalent to the ratio that the total amount of surplus milk production, as estimated by the Secretary for the fiscal year, bears to the total milk production estimated for such period. The Secretary may provide for refunds to be made of amounts collected from producers on a pro rata basis taking into consideration the reduction in commercial marketings by the producer from the commercial marketings during the base period.

Net price support purchases.

“(C) The funds remitted to the Corporation as a result of the deductions provided for under this paragraph that are not used in making refunds to producers shall be used to offset the cost of the milk price support program. Authority for making deductions under this paragraph shall not apply for any fiscal year for which the Secretary estimates that net price support purchases of milk or the products of milk would be less than 7.5 billion pounds milk equivalent. If at any time during a fiscal year the Secretary should establish that such net price support purchases during that fiscal year would be less than 7.5 billion pounds, the authority for requiring such deductions shall not apply for the balance of the year.

Overpayment.

“(D) The Secretary may provide for refunds to producers on a periodic basis during the year. If, based on total marketings for the year, the Secretary should determine that an overpayment has been made to the producer for the year, the producer shall repay the amount of the overpayment.

“(E) Prior to approving any application for a refund, the Secretary shall require evidence that such reduction in marketings has taken place and that such reduction is a net decrease in marketings of milk and has not been offset by expansion of production in other production facilities in which the person has an interest or by transfer of partial interest in the production facility or by the taking of any other action which is a scheme or device to qualify for payment.

“(4) The funds represented by the deductions referred to in paragraphs (2) and (3) shall be remitted to the Commodity Credit Corporation at such time and such manner as prescribed

by the Secretary by each person making payment to a producer for milk purchased from the producer, except that in the case of any producer who markets milk of the producer's own production directly to consumers, such funds shall be remitted to the Corporation by the producer. The funds represented by such reduction shall be considered as included in the payments to a producer of milk for purposes of the minimum price provisions of the Agricultural Adjustment Act of 1933, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.

"(5) Each producer who markets milk and each person required to make payment to the Corporation under this subsection shall keep such records and make such reports, in such manner, as the Secretary determines necessary to carry out this subsection. The Secretary may make such investigations as the Secretary deems necessary for the effective administration of this subsection or to determine whether any person subject to the provisions of this subsection has engaged or is engaged or is about to engage in any act or practice that constitutes or will constitute a violation of any provision of this subsection or regulation issued under this subsection. For the purpose of such investigation, the Secretary is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence and require the production of any books, papers, and documents that are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpoena to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever such person may be found.

"(6)(A) The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating any provision of this subsection or any regulation issued under this subsection. Any such civil action authorized to be brought under this subsection shall be referred to the Attorney General for appropriate action. Nothing in this subsection may be construed as requiring the Secretary to refer to the Attorney General minor violations of this subsection whenever the Secretary believes that the administration and enforcement of this subsection would be adequately served by suitable written notice or warning to any person committing such violation.

"(B) Any person who willfully violates any provision of this subsection or any regulation issued under this subsection, or who willfully fails or refuses to remit any amounts due thereunder shall be liable, in addition to payment of the full amount due plus interest, for a civil penalty (to be assessed by the Secretary) of not more than \$1,000 for each such violation which

7 USC 601 note.

7 USC 601 note.

Records and reports.

Investigations.

Civil action.

Violations.

shall accrue to the United States and may be recovered in a civil suit brought by the United States.

“(C) The remedies provided in subparagraphs (A) and (B) shall be in addition to, and not exclusive of, remedies otherwise provided at law or in equity.

“(7) In carrying out this subsection, the Secretary may, on a reimbursable or nonreimbursable basis, as the Secretary deems appropriate, use—

“(A) administrators of Federal milk marketing orders;

“(B) State and county committees established under section 8 of the Soil Conservation and Domestic Allotment Act;

or

“(C) administrators of State milk marketing programs.”.

16 USC 590h.

Subtitle B—Donation of Dairy Products

SEC. 110. Section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is amended by adding at the end thereof the following: “Notwithstanding any other provision of law, such dairy products may be donated for distribution to needy households in the United States and to meet the needs of persons receiving nutrition assistance under the Older Americans Act of 1965. Such dairy products may also be donated through foreign governments and public and non-profit private humanitarian organizations for the assistance of needy persons outside the United States, and the Commodity Credit Corporation may pay, with respect to commodities so donated, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery. In order to assure that any such donations for use outside the United States are coordinated with and complement other United States foreign assistance, such donations shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 and shall be in addition to the level of assistance programmed under that Act.”.

42 USC 3001
note.

7 USC 1691 note.

Subtitle C—Adjustment Program for the 1983 Crops of Wheat, Feed Grains, Upland Cotton and Rice

ADVANCE DEFICIENCY PAYMENTS

SEC. 120. Effective only for the 1982 through 1985 crops of wheat, feed grains, upland cotton, and rice, the Agricultural Act of 1949 is amended by inserting after section 107B (7 U.S.C. 1445b-1) the following new section:

“ADVANCE PAYMENTS

7 USC 1445b-2.

“SEC. 107C. (a)(1) Effective with respect to the 1982 crops of wheat, feed grains, upland cotton, and rice, the Secretary shall make available to producers who participate in an acreage limitation program established for wheat, feed grains, upland cotton, or rice under section 107B(e), 105B(e), 103(g)(9), or 101(i)(5), respectively, advance deficiency payments in accordance with this section (other than subsection (b)) if the Secretary determines that deficiency payments likely will be made under this Act.

7 USC 1445b-1,
1444d, 1444,
1441.

Terms and
conditions.

“(2) Advance deficiency payments under paragraph (1) shall be made to producers under the following terms and conditions:

"(A) Such payments shall be made as soon as practicable after October 1, 1982.

"(B) Such payments shall be made in an amount determined by multiplying (i) the estimated farm program acreage for the crop, by (ii) the farm program payment yield for the crop, by (iii) 70 per centum of the projected payment rate, as determined by the Secretary. Notwithstanding the preceding sentence, in any case in which a producer has received disaster payments for wheat, feed grains, upland cotton, or rice under section 107B(b)(2), 105B(b)(2), 103(g)(4), or 101(i)(3), respectively, the Secretary may make such adjustment in the advance deficiency payments made under this subsection as the Secretary determines appropriate.

7 USC 1445 b-1,
1444d, 1444,
1441.

"(b)(1) Effective with respect to the 1983 through 1985 crops of wheat, feed grains, upland cotton, and rice, if the Secretary establishes an acreage limitation or acreage set-aside program for a crop of wheat, feed grains, upland cotton, or rice under section 107B(e), 105B(e), 103(g)(9), or 101(i)(5), respectively, and determines that deficiency payments will likely be made for such commodity for such crop, the Secretary—

"(A) for the 1983 crop of such commodity, shall make available, as provided in this section (other than subsection (a)), advance deficiency payments to producers who agree to participate in such program; and

"(B) for the 1984 and 1985 crops of such commodities, may make available, as provided in this section (other than subsection (a)), advance deficiency payments to producers who agree to participate in such program.

"(2) Advance deficiency payments under this subsection shall be made to producers under the following terms and conditions:

"(A) Such payments shall be made available to producers as soon as practicable after the producer files a notice of intention to participate in such program, but in no case prior to October 1, 1982.

"(B) Such payments shall be made available to producers in such amounts as the Secretary determines appropriate to encourage adequate participation in such program, except that such amount may not exceed an amount determined by multiplying (i) the estimated farm program acreage for the crop, by (ii) the farm program payment yield for the crop, by (iii) 50 per centum of the projected payment rate, as determined by the Secretary.

"(c) Advance deficiency payments under this section shall be made to producers under the following terms and conditions:

"(1) In any case in which the deficiency payment payable to a producer for a crop, as finally determined by the Secretary under section 107B(b)(1), 105B(b)(1), 103(g)(3), or 101(i)(2), is less than the amount paid to the producer as an advance deficiency payment for the crop under this section, the producer shall refund an amount equal to the difference between the amount advanced and the amount finally determined by the Secretary to be payable to the producer as a deficiency payment for the crop concerned.

"(2) If the Secretary determines under section 107B(b)(1), 105B(b)(1), 103(g)(3), or 101(i)(2) that deficiency payments will not be made available to producers on a crop with respect to which advance deficiency payments already have been made

under this section, the producers who received such advance payments shall refund such payments.

"(3) Any refund required under paragraph (1) or (2) shall be due at the end of the marketing year for the crop with respect to which such payments were made.

"(4) If a producer fails to comply with the requirements under the acreage limitation or set-aside program involved (and, in the case of the 1983 crops of wheat, feed grains, and rice, the requirements of the land diversion program involved) after obtaining an advance deficiency payment under this section, the producer shall repay immediately the amount of the advance, plus interest thereon in such amount as the Secretary shall prescribe by regulations.

"(d) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

"(e) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(f) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provisions of law."

1983 WHEAT LOANS

95 Stat. 1221.

SEC. 121. Section 107B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(a)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this subsection, the Secretary shall make available to producers loans and purchases for the 1983 crop of wheat at not less than \$3.65 per bushel."

1983 WHEAT ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 122. Section 107B(e) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)) is amended by—

(1) striking out in the first sentence of paragraph (1) "Notwithstanding any other provision of this section, the" and inserting in lieu thereof "Notwithstanding any other provision of law—

"(A) Except as provided in subparagraph (B) of this paragraph, the";

(2) adding at the end of paragraph (1) the following new subparagraph:

"(B) Notwithstanding any previous announcement to the contrary, for the 1983 crop of wheat the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which the acreage planted to wheat for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 20 per centum, consisting of a reduction of 15 per centum under the acreage limitation program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of wheat, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program."

(3) in paragraph (2), inserting immediately after the fifth sentence the following: "Notwithstanding any other provision of

this paragraph, the acreage base to be used for the farm under the program for the 1983 crop of wheat shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.”; and

(4) inserting at the end of paragraph (5) the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion program for the 1983 crop of wheat under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of wheat whose acreage planted to wheat for harvest on the farm is reduced so that it does not exceed the wheat acreage base for the farm less an amount equivalent to 5 per centum of the wheat acreage base in addition to the reduction required under paragraph (2), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the wheat acreage base under this paragraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this paragraph. The diversion payment rate shall be established by the Secretary at not less than \$3.00 per bushel, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The Secretary shall make not less than 50 per centum of any payments under this paragraph to producers of the 1983 crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this paragraph, the producer shall repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance.”.

1983 FEED GRAIN LOANS

SEC. 123. Section 105B(a)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444d(a)(1)) is amended by inserting at the end thereof the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall make available to producers loans and purchases for the 1983 crop of corn at not less than \$2.65 per bushel.”.

95 Stat. 1227.

1983 FEED GRAIN ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 124. Section 105B(e) of the Agricultural Act of 1949 (7 U.S.C. 1444d(e)) is amended by—

(1) striking out in the first sentence of paragraph (1) “Notwithstanding any other provision of this section, the” and inserting in lieu thereof “Notwithstanding any other provision of law—

“(A) Except as provided in subparagraph (B) of this paragraph, the”;

(2) adding at the end of paragraph (1) the following new subparagraph:

“(B) For the 1983 crop of feed grains, the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) or a set-aside program as described under paragraph (3) and (ii) a diversion program as described under paragraph (5) under which the acreage planted to feed grains for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 15 per centum, consisting of a reduction of 10 per centum under the acreage limitation or set-aside program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of feed grains, the producers on a farm must comply with the terms and conditions of the combined acreage limitation or set-aside program and diversion program.”;

(3) in paragraph (2), inserting immediately after the sixth sentence the following: “Notwithstanding any other provision of this paragraph, the acreage base to be used for the farm under the program for the 1983 crop of feed grains shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.”; and

(4) inserting at the end of paragraph (5) the following: “Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion program for the 1983 crop of feed grains under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of feed grains whose acreage planted to feed grains for harvest on the farm is reduced so that it does not exceed the feed grain acreage base for the farm less an amount equivalent to 5 per centum of the feed grain acreage base in addition to the reduction required under paragraph (2) or (3), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the feed grain acreage base under this paragraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this subsection. The diversion payment rate shall be established by the Secretary at not less than \$1.50 per bushel for corn, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The payment rate for grain sorghums, oats, and, if designated by the Secretary, barley shall be such rate as the Secretary determines is fair and reasonable in relation to the rate at which payments are made available for corn. The Secretary shall make not less than 50 per centum of any payments under this paragraph to producers of the 1983 crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this paragraph, the producer shall

repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance."

1983 RICE ACREAGE REDUCTION AND DIVERSION PROGRAMS

SEC. 125. Section 101(i)(5) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(5)) is amended by—

95 Stat. 1242.

(1) striking out in the first sentence of subparagraph (A) "Notwithstanding any other provision of this subsection, the" and inserting in lieu thereof "Notwithstanding any other provision of law, except as provided in the third and fourth sentences of this paragraph, the";

(2) inserting immediately after the second sentence of subparagraph (A) the following: "For the 1983 crop of rice, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a diversion program as described under subparagraph (B) under which the acreage planted to rice for harvest on the farm would be limited to the acreage base for the farm reduced by a total of 20 per centum, consisting of a reduction of 15 per centum under the acreage limitation program and a reduction of 5 per centum under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1983 crop of rice, the producers on a farm must comply with the terms and conditions of the combined acreage limitation and diversion program.";

(3) inserting immediately after the ninth sentence of subparagraph (A) (as amended by paragraph (2) of this section) the following: "Notwithstanding any other provision of this subparagraph, the acreage base to be used for the farm under the program for the 1983 crop of rice shall be the same as the acreage base applicable to the farm under the acreage limitation program for the 1982 crop, adjusted to reflect established crop-rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base."; and

(4) inserting at the end of subparagraph (B) the following: "Notwithstanding the foregoing provisions of this subparagraph, the Secretary shall implement a land diversion program for the 1983 crop of rice under which the Secretary shall make crop retirement and conservation payments to any producer of the 1983 crop of rice whose acreage planted to rice for harvest on the farm is reduced so that it does not exceed the rice acreage base for the farm less an amount equivalent to 5 per centum of the rice acreage base in addition to the reduction required under subparagraph (A), and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction required from the rice acreage base under this subparagraph. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under this subparagraph. The diversion payment rate shall be established by the Secretary at not less than \$3.00 per hundredweight, except that the rate may be reduced up to 10 per centum if the Secretary determines that the same program objective could be achieved with the lower rate. The Secretary shall make not less than 50 per centum of any payments under this subparagraph to producers of the 1983

crop as soon as practicable after a producer enters into a land diversion contract with the Secretary and in advance of any determination of performance, but in no case prior to October 1, 1982. If a producer fails to comply with a land diversion contract after obtaining an advance payment under this subparagraph, the producer shall repay the advance immediately and, in accordance with regulations issued by the Secretary, pay interest on the advance."

Subtitle D—Agricultural Export Promotion

7 USC 612c note.

SEC. 135. Effective for each of the fiscal years ending September 30, 1983, September 30, 1984, and September 30, 1985, the Secretary of Agriculture shall use not less than \$175,000,000 nor more than \$190,000,000 of funds of the Commodity Credit Corporation for export activities authorized to be carried out by the Secretary or by the Commodity Credit Corporation under the provisions of law in effect on the date of enactment of this section, notwithstanding the fact that the activity may not be included in the budget program of the Corporation. The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation. The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provision of law.

Food Stamp Act
Amendments of
1982.

Subtitle E—Food Stamp Act Amendments of 1982

SHORT TITLE

7 USC 2011 note.

SEC. 140. This subtitle may be cited as the "Food Stamp Act Amendments of 1982".

REFERENCES TO THE FOOD STAMP ACT OF 1977

SEC. 141. Except as otherwise specifically provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

HOUSEHOLD DEFINITION

SEC. 142. Section 3(i) (7 U.S.C. 2012(i)) is amended by—

(1) in the first sentence—

(A) inserting ", or siblings," after "children"; and

(B) inserting ", or siblings," after "the parents"; and

(2) inserting after the first sentence the following new sentence: "Notwithstanding clause (1) of the preceding sentence, an individual who lives with others, who is sixty years of age or older, and who is unable to purchase food and prepare meals because such individual suffers, as certified by a licensed physician, from a disability which would be considered a permanent disability under section 221(i) of the Social Security Act (42 U.S.C. 421(i)) or from a severe, permanent, and disabling physical or mental infirmity which is not symptomatic of a disease shall be considered, together with any of the others who is the spouse of such individual, an individual household, without

regard to the purchase of food and preparation of meals, if the income (as determined under section 5(d)) of the others, excluding the spouse, does not exceed the poverty line, as described in section 5(c)(1), by more than 65 per centum."

7 USC 2014.

ROUNDING DOWN

SEC. 143. (a) The second sentence of section 3(o) (7 U.S.C. 2012(o)) (as amended by section 144 of this Act) is amended by—

95 Stat. 1282.

- (1) in clause (1), inserting "(based on the unrounded cost of such diet)" after "adjustments"; and
 - (2) in clauses (6), (7), and (8), striking out "nearest dollar increment" each place it appears and inserting in lieu thereof "nearest lower dollar increment for each household size".
- (b) section 5(e) (7 U.S.C. 2014(e)) is amended by—
- (1) in the second sentence, striking out "nearest \$5 increment" each place it appears and inserting in lieu thereof "nearest lower dollar increment"; and
 - (2) in the proviso of clause (2) of the fourth sentence, striking out "nearest \$5 increment" each place it appears and inserting in lieu thereof "nearest lower dollar increment".
- (c) The first sentence of section 8(a) (7 U.S.C. 2017(a)) is amended by inserting "lower" after "nearest".

THRIFTY FOOD PLAN ADJUSTMENTS

SEC. 144. The second sentence of section 3(o) (7 U.S.C. 2012(o)) is amended by striking out "(6)" and all that follows through "twelve months ending the preceding June 30" and inserting in lieu thereof the following: "(6) on October 1, 1982, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twenty-one months ending June 30, 1982, reduce the cost of such diet by 1 per centum, and round the result to the nearest dollar increment, (7) on October 1, 1983, and October 1, 1984, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30, reduce the cost of such diet by 1 per centum, and round the result to the nearest dollar increment, and (8) on October 1, 1985, and each October 1 thereafter, adjust the cost of such diet to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30 and round the result to the nearest dollar increment".

DISABLED VETERANS AND SURVIVORS

SEC. 145. (a) section 3 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(r) 'Elderly or disabled member' means a member of a household who—

"Elderly or disabled member."

- "(1) is sixty years of age or older;
- "(2) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);
- "(3) receives disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.);
- "(4) is a veteran who—

42 USC 401, 1201, 1351.

"(A) has a service-connected disability which is rated as total under title 38, United States Code; or

"(B) is considered in need of regular aid and attendance or permanently housebound under such title;

"(5) is a surviving spouse of a veteran and—

"(A) is considered in need of regular aid and attendance or permanently housebound under title 38, United States Code; or

"(B) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)); or

"(6) is a child of a veteran and—

"(A) is considered permanently incapable of self-support under section 414 of title 38, United States Code; or

"(B) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, United States Code, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i))."

(b) The first sentence of section 3(i) (7 U.S.C. 2012(i)) is amended by striking out "sixty" and all that follows through the end of the sentence and inserting in lieu thereof "an elderly or disabled member."

7 USC 2014.

(c) Section 5(c)(2) (as amended by section 146(a) of this Act) is amended by striking out "a member who is" and all that follows through "(42 U.S.C. 301 et seq.)" and inserting in lieu thereof "an elderly or disabled member".

(d) Section 5(e) (7 U.S.C. 2014(e)) (as amended by section 146(b) of this Act) is amended by—

(1) in the first sentence, striking out "a member who is" and all that follows through "(42 U.S.C. 301 et seq.)" and inserting in lieu thereof "an elderly or disabled member";

(2) in the fourth sentence, striking out "a member" and all that follows through "titles I, II, X, XIV, and XVI of the Social Security Act" and inserting in lieu thereof "an elderly or disabled member"; and

(3) in the last sentence—

(A) in the matter preceding subclause (A), striking out "a member" and all that follows through "titles I, II, X, XIV, and XVI of the Social Security Act" and inserting in lieu thereof "an elderly or disabled member"; and

(B) in subclause (A), striking out "household members" and all that follows through "titles I, II, X, XIV, and XVI of the Social Security Act" and inserting in lieu thereof "elderly or disabled members".

(e) The first sentence of section 6(c)(1) (7 U.S.C. 2015(c)(1)) is amended by striking out "sixty" and all that follows through "titles I, II, X, XIV, and XVI of the Social Security Act" and inserting in lieu thereof "elderly or disabled members".

INCOME STANDARDS OF ELIGIBILITY

SEC. 146. (a) Subsection (c) of section 5 (7 U.S.C. 2014(c)) is amended to read as follows:

"(c) The income standards of eligibility shall provide that a household shall be ineligible to participate in the food stamp program if—

"(1) the household's income (after the exclusions and deductions provided for in subsections (d) and (e)) exceeds the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), for the forty-eight contiguous States and the District of Columbia, Alaska, Hawaii, the Virgin Islands of the United States, and Guam, respectively; and

95 Stat. 511.

"(2) in the case of a household that does not include a member who is sixty years of age or over or a member who receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.), the household's income (after the exclusions provided for in subsection (d) but before the deductions provided for in subsection (e)) exceeds such poverty line by more than 30 per centum.

42 USC 401,
1201, 1351.

In no event shall the standards of eligibility for the Virgin Islands of the United States or Guam exceed those in the forty-eight contiguous States."

(b) The first sentence of section 5(e) (7 U.S.C. 2014(e)) is amended by striking out "households described in subsection (c)(1)" and inserting in lieu thereof "households containing a member who is sixty years of age or over or a member who receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq.)".

COORDINATION OF COST-OF-LIVING ADJUSTMENTS

SEC. 147. Section 5(d) (7 U.S.C. 2014(d)) is amended by—

95 Stat. 1283.

- (1) striking out "and" at the end of clause (10); and
- (2) adding before the period at the end thereof the following:
", and (12) through September 30 of any fiscal year, any increase in income attributable to a cost-of-living adjustment made on or after July 1 of such fiscal year under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq.), section 3(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(1)), or section 3112 of title 38, United States Code, if the household was certified as eligible to participate in the food stamp program or received an allotment in the month immediately preceding the first month in which the adjustment was effective".

42 USC 1381.

ADJUSTMENT OF DEDUCTIONS

SEC. 148. Section 5(e) (7 U.S.C. 2014(e)) is amended by—

95 Stat. 359.

- (1) in clause (1) of the second sentence, striking out "July 1, 1983" and inserting in lieu thereof "October 1, 1983"; and
- (2) in subclause (i) of the proviso of clause (2) of the fourth sentence, striking out "July 1, 1983" and inserting in lieu thereof "October 1, 1983".

STANDARD UTILITY ALLOWANCES

SEC. 149. (a) Section 5(e) (7 U.S.C. 2014(e)) is amended by inserting after the fourth sentence the following new sentences: "In computing the excess shelter expense deduction under clause (2) of the

preceding sentence, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance which does not fluctuate within a year to reflect seasonal variations. An allowance for a heating or cooling expense may not be used for a household that does not incur a heating or cooling expense, as the case may be, or does incur a heating or cooling expense but is located in a public housing unit which has central utility meters and charges households, with regard to such expense, only for excess utility costs. No such allowance may be used for a household that shares such expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both."

(b) Subclause (B) of the last sentence of section 5(e) (7 U.S.C. 2014(e)) is amended by striking out "preceding sentence" and inserting in lieu thereof "fourth sentence of this subsection".

MIGRANT FARMWORKERS

95 Stat. 360.

SEC. 150. The last sentence of section 5(f)(4) (7 U.S.C. 2014(f)(4)) is amended by inserting after "subsection" the following: "(except the provisions of paragraph (2)(A))".

FINANCIAL RESOURCES

SEC. 151. The second sentence of section 5(g) (7 U.S.C. 2014(g)) is amended by—

- (1) striking out "June 1, 1977" and inserting in lieu thereof "June 1, 1982";
- (2) striking out "and" after "vacation purposes,"; and
- (3) inserting after "\$4,500," the following: "and, regardless of whether there is a penalty for early withdrawal, any savings or retirement accounts (including individual accounts),".

STUDIES

SEC. 152. (a) The second sentence of section 5(g) (7 U.S.C. 2014(g)) is amended by—

- (1) striking out "(1)"; and
- (2) striking out ", and (2)" and all that follows through the end of the sentence and inserting in lieu thereof a period.

(b) Section 8(a) (7 U.S.C. 2017(a)) is amended by striking out the second sentence.

(c) Subsections (d) and (e) of section 17 (7 U.S.C. 2026 (d) and (e)) are repealed.

CATEGORICAL ELIGIBILITY

SEC. 153. Section 5 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding subsections (a) through (i), a State agency may consider a household in which all members of the household receive benefits under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and whose income does not exceed the applicable income standard of eligibility

described in subsection (c)(2) to have satisfied the resource limitations prescribed under subsection (g).”.

MONTHLY REPORTING

SEC. 154. The first sentence of section 6(c)(1) (7 U.S.C. 2015(c)(1)) is amended by—

- (1) inserting “adult” after “which all”; and
- (2) inserting before the period at the end thereof the following: “, except that a State agency may, with the prior approval of the Secretary, select categories of households which may report at specified less frequent intervals upon a showing by the State agency, which is satisfactory to the Secretary, that to require households in such categories to report monthly would result in unwarranted expenditures for administration of this subsection”.

PERIODIC REPORT FORMS

SEC. 155. The last sentence of section 6(c)(1) (7 U.S.C. 2015(c)(1)) is amended by striking out “, on a form designed or approved by the Secretary,”.

REPORTING REQUIREMENTS

SEC. 156. Section 6(c) (7 U.S.C. 2015(c)) is amended by adding at the end thereof the following new paragraph:

“(5) The Secretary is authorized, upon the request of a State agency, to waive any provisions of this subsection (except the provisions of the first sentence of paragraph (1) which relate to households which are not required to file periodic reports) to the extent necessary to permit the State agency to establish periodic reporting requirements for purposes of this Act which are similar to the periodic reporting requirements established under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in that State.”.

JOB SEARCH

SEC. 157. Section 6(d)(1)(ii) (7 U.S.C. 2015(d)(1)(ii)) is amended by inserting before the semicolon at the end thereof the following: “, which may include a requirement that, at the option of the State agency, such reporting and inquiry commence at the time of application”.

VOLUNTARILY QUITTING A JOB

SEC. 158. (a) The proviso of section 6(d)(1)(iii) (7 U.S.C. 2015(d)(1)(iii)) is amended by striking out “sixty days from the time of the voluntary quit” and inserting in lieu thereof “ninety days”.

(b) Section 6(d)(1) (7 U.S.C. 2015(d)(1)) is amended by adding at the end thereof the following new sentence: “An employee of the Federal Government, or of a State or political subdivision of a State, who engaged in a strike against the Federal Government, a State or political subdivision of a State and is dismissed from his job because of his participation in the strike shall be considered to have voluntarily quit such job without good cause.”.

PARENTS AND CARETAKERS OF CHILDREN

SEC. 159. Clause (C) of section 6(d)(2) (7 U.S.C. 2015(d)(2)(C)) is repealed.

JOINT EMPLOYMENT REGULATIONS

SEC. 160. Paragraph (3) of section 6(d) (7 U.S.C. 2015(d)(3)) is repealed.

COLLEGE STUDENTS

SEC. 161. Section 6(e) (7 U.S.C. 2015(e)) is amended by striking out "or (B)" and all that follows through "or (C)" and inserting in lieu thereof "; (B) is not a parent with responsibility for the care of a dependent child under age six; (C) is not a parent with responsibility for the care of a dependent child above the age of five and under the age of twelve for whom adequate child care is not available; (D) is not receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or (E)".

ALTERNATIVE ISSUANCE SYSTEM

SEC. 162. Section 7 (7 U.S.C. 2016) is amended by adding at the end thereof the following new subsection:

"(g)(1) If the Secretary determines, in consultation with the Inspector General of the Department of Agriculture, that it would improve the integrity of the food stamp program, the Secretary may require a State agency—

"(A) to issue or deliver coupons using alternative methods, including an automatic data processing and information retrieval system; or

"(B) to issue, in lieu of coupons, reusable documents to be used as part of an automatic data processing and information retrieval system and to be presented by, and returned to, recipients at retail food stores for the purpose of purchasing food.

"(2) The cost of documents or systems that may be required pursuant to this subsection may not be imposed upon a retail food store participating in the food stamp program."

INITIAL ALLOTMENTS

SEC. 163. (a) The first sentence of section 8(c) (7 U.S.C. 2017(c)) is amended by inserting before the period at the end thereof the following: ", except that no allotment may be issued to a household for the initial month or period if the value of the allotment which such household would otherwise be eligible to receive under this subsection is less than \$10".

(b) Clause (2) of the last sentence of section 8(c) (7 U.S.C. 2017(c)) is amended by striking out "of more than thirty days".

NONCOMPLIANCE WITH OTHER PROGRAMS

SEC. 164. Section 8 (7 U.S.C. 2017) is amended by adding at the end thereof the following new subsection:

"(d) A household against which a penalty has been imposed for an intentional failure to comply with a Federal, State, or local law relating to welfare or a public assistance program may not, for the

duration of the penalty, receive an increased allotment as the result of a decrease in the household's income (as determined under sections 5(d) and 5(e)) to the extent that the decrease is the result of such penalty." 7 USC 2014.

HOUSE-TO-HOUSE TRADE ROUTES

SEC. 165. Section 9 (7 U.S.C. 2018) is amended by adding at the end thereof the following new subsection: 95 Stat. 1285.

"(f) In those areas in which the Secretary, in consultation with the Inspector General of the Department of Agriculture, finds evidence that the operation of house-to-house trade routes damages the program's integrity, the Secretary shall limit the participation of house-to-house trade routes to those routes that are reasonably necessary to provide adequate access to households."

APPROVAL OF STATE PLAN OF OPERATION

SEC. 166. Section 11(d) (7 U.S.C. 2020(d)) is amended by inserting after the first sentence the following new sentence: "The Secretary may not, as a part of the approval process for a plan of operation, require a State to submit for prior approval by the Secretary the State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the State agency, or any materials, documents, memoranda, bulletins, or other matter, unless the State determines that the materials, documents, memoranda, bulletins, or other matter alter or amend the State plan of operation or conflict with the rights and levels of benefits to which a household is entitled."

POINTS AND HOURS OF CERTIFICATION AND ISSUANCE

SEC. 167. (a) The last sentence of section 11(e)(2) (7 U.S.C. 2020(e)(2)) is amended by striking out "points and hours of certification, and for". 95 Stat. 1286.

(b) Paragraph (13) of section 11(e) (7 U.S.C. 2020(e)(13)) is repealed.

AUTHORIZED REPRESENTATIVES

SEC. 168. Section 11(e)(7) (7 U.S.C. 2020(e)(7)) is amended by—

(1) striking out "any" each place it appears and inserting in lieu thereof "an"; and

(2) inserting before the semicolon at the end thereof the following: ", except that the Secretary may restrict the number of households which may be represented by an individual and otherwise establish criteria and verification standards for representation under this paragraph".

DISCLOSURE OF INFORMATION

SEC. 169. Section 11(e)(8) (7 U.S.C. 2020(e)(8)) is amended by striking out "or the regulations issued pursuant to this Act" and inserting in lieu thereof "regulations issued pursuant to this Act, Federal assistance programs, or federally assisted State programs".

EXPEDITED COUPON ISSUANCE

SEC. 170. Paragraph (9) of section 11(e) (7 U.S.C. 2020(e)(9)) is amended to read as follows:

“(9) that the State agency shall—

“(A) provide coupons no later than five days after the date of application to any household which—

“(i)(I) has gross income that is less than \$150 per month; or

“(II) is a destitute migrant or a seasonal farmworker household in accordance with the regulations governing such households in effect July 1, 1982; and

“(ii) has liquid resources that do not exceed \$100; and

“(B) to the extent practicable, verify the income and liquid resources of the household prior to issuance of coupons to the household;”.

PROMPT REDUCTION OR TERMINATION OF BENEFITS

SEC. 171. Section 11(e)(10) (7 U.S.C. 2020(e)(10)) is amended by inserting before the semicolon at the end thereof the following: “, except that in any case in which the State agency receives from the household a written statement containing information that clearly requires a reduction or termination of the household's benefits, the State agency may act immediately to reduce or terminate the household's benefits and may provide notice of its action to the household as late as the date on which the action becomes effective”.

DUPLICATION OF COUPONS IN MORE THAN ONE JURISDICTION WITHIN A STATE

SEC. 172. Section 11(e) (7 U.S.C. 2020(e)) is amended by—

(1) striking out “and” at the end of paragraph (20);

(2) striking out the period at the end of paragraph (21) and inserting in lieu thereof “; and”; and

(3) adding at the end thereof the following new paragraph:

“(22) that the State agency shall establish a system and take action on a periodic basis to verify and otherwise assure that an individual does not receive coupons in more than one jurisdiction within the State.”.

CERTIFICATION SYSTEMS

SEC. 173. Section 11(i) (7 U.S.C. 2020(i)) is amended by adding at the end thereof the following new sentence: “Each State agency shall implement clauses (1) and (2) and may implement clause (3) or (4), or both such clauses.”.

CASHED-OUT PROGRAMS

SEC. 174. Section 11 (7 U.S.C. 2020) is amended by adding at the end thereof the following new subsection:

“(n) The Secretary shall require State agencies to conduct verification and implement other measures where necessary, but no less often than annually, to assure that an individual does not receive both coupons and benefits or payments referred to in section 6(g) or both coupons and assistance provided in lieu of coupons under section 17(b)(1).”.

AMOUNT OF PENALTY AND LENGTH OF DISQUALIFICATION

SEC. 175. Section 12 (7 U.S.C. 2021) is amended by—

- (1) inserting "(a)" after the section designation;
- (2) in the first sentence, striking out "\$5,000" and inserting in lieu thereof "\$10,000";
- (3) striking out the second sentence and inserting in lieu thereof the following new subsection:
 "(b) Disqualification under subsection (a) shall be—
 "(1) for a reasonable period of time, of no less than six months nor more than five years, upon the first occasion of disqualification;
 "(2) for a reasonable period of time, of no less than twelve months nor more than ten years, upon the second occasion of disqualification; and
 "(3) permanent upon the third occasion of disqualification or the first occasion of a disqualification based on the purchase of coupons or trafficking in coupons or authorization cards by a retail food store or wholesale food concern."; and
- (4) designating the last sentence as subsection (c).

BONDS

SEC. 176. (a) Section 12 (7 U.S.C. 2021) (as amended by section 175 of this Act) is amended by adding at the end thereof the following new subsection:

"(d) As a condition of authorization to accept and redeem coupons, the Secretary may require a retail food store or wholesale food concern which has been disqualified or subjected to a civil penalty pursuant to subsection (a) to furnish a bond to cover the value of coupons which such store or concern may in the future accept and redeem in violation of this Act. The Secretary shall, by regulation, prescribe the amount, terms, and conditions of such bond. If the Secretary finds that such store or concern has accepted and redeemed coupons in violation of this Act after furnishing such bond, such store or concern shall forfeit to the Secretary an amount of such bond which is equal to the value of coupons accepted and redeemed by such store or concern in violation of this Act. Such store or concern may obtain a hearing on such forfeiture pursuant to section 14."

(b) The first sentence of section 14(a) (7 U.S.C. 2023(a)) is amended by inserting "or a retail food store or wholesale food concern forfeits a bond under section 12(d) of this Act," after "section 12 of this Act,".

95 Stat. 1286.

ALTERNATIVE MEANS OF COLLECTION OF OVERISSUANCES

SEC. 177. (a) Section 13(b)(1) (7 U.S.C. 2022(b)(1)) is amended by—

- (1) inserting "(A)" after the paragraph designation; and
- (2) adding at the end thereof the following new subparagraph:
 "(B) State agencies may collect any claim against a household arising from the overissuance of coupons based on an ineligibility determination under section 6(b), other than claims collected pursuant to subparagraph (A), by using other means of collection."

95 Stat. 363.

(b) Section 13(b)(2) (7 U.S.C. 2022(b)(2)) is amended by—

- (1) inserting "(A)" after the paragraph designation; and
- (2) adding at the end thereof the following new subparagraph:

7 USC 2015.

"(B) State agencies may collect any claim against a household arising from the overissuance of coupons, other than claims collected pursuant to paragraph (1) or subparagraph (A), by using other means of collection."

CLAIMS COLLECTION PROCEDURE

SEC. 178. The second sentence of section 13(b)(1)(A) (as amended by section 177(a) of this Act) is amended by inserting "within thirty days of a demand for an election" after "election".

COST-SHARING FOR COLLECTION OF OVERISSUANCES

95 Stat. 362, 363.

SEC. 179. The first sentence of section 16(a) (7 U.S.C. 2025(a)) is amended by inserting before the period at the end thereof the following: ", except the value of funds or allotments recovered or collected pursuant to section 13(b)(2) which arise from an error of a State agency".

ERROR RATE REDUCTION SYSTEM

SEC. 180. (a) Section 16 (7 U.S.C. 2025) is amended by—

(1) amending subsection (c) to read as follows:

"(c) The Secretary is authorized to adjust a State agency's federally funded share of administrative costs pursuant to subsection (a), other than the costs already shared in excess of 50 per centum under the proviso in the first sentence of subsection (a) or under subsection (g), by increasing such share to 60 per centum of all such administrative costs in the case of a State agency which has—

"(1) a payment error rate as defined in subsection (d)(1) which, when added to the total percentage of all allotments underissued to eligible households by the State agency, is less than 5 per centum; and

"(2) a rate of invalid decisions in denying eligibility which is less than a nationwide percentage which the Secretary determines to be reasonable.";

(2) striking out subsections (d), (e), and (g) and redesignating subsections (f), (h), and (i) as subsections (e), (f), and (g), respectively; and

(3) inserting after subsection (c) the following new subsection:

"(d)(1) As used in this subsection, the term 'payment error rate' means the total percentage of all allotments issued in a fiscal year by a State agency which are either—

"(A) issued to households which fail to meet basic program eligibility requirements; or

"(B) overissued to eligible households.

"(2)(A) The Secretary shall institute an error rate reduction program under which, if a State agency's payment error rate exceeds—

"(i) 9 per centum for fiscal year 1983,

"(ii) 7 per centum for fiscal year 1984, or

"(iii) 5 per centum for fiscal year 1985 or any fiscal year thereafter,

then the Secretary shall, other than for good cause shown or as provided in subparagraph (B), reduce the State agency's federally funded share of administrative costs provided pursuant to subsection (a), other than the costs already shared in excess of 50 per

centum under the proviso in the first sentence of subsection (a) or under subsection (g), by the amounts required under paragraph (3).

"(B) The Secretary may not reduce a State agency's federally funded share of administrative costs pursuant to subparagraph (A)—

"(i) on the basis of the State agency's payment error rate for fiscal year 1983, if such payment error rate represents a reduction from the State agency's payment error rate for the period beginning on October 1, 1980, and ending on March 31, 1981, of at least 33.3 per centum of the difference between the State agency's payment error rate for such period and 5 per centum; or

"(ii) on the basis of the State agency's payment error rate for fiscal year 1984, if such payment error rate represents a reduction from the State agency's payment error rate for the period beginning on October 1, 1980, and ending on March 31, 1981, of at least 66.7 per centum of the difference between the State agency's payment error rate for such period and 5 per centum.

"(3)(A) The Secretary shall reduce a State agency's federally funded share of administrative costs, except as provided in subparagraph (B), by—

"(i) 5 per centum for each per centum or fraction thereof that the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2); and

"(ii) if the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2) by more than 3 per centum, an additional 5 per centum (for a total of 10 per centum) for each per centum or fraction thereof that the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2) by more than 3 per centum.

"(B) The Secretary may not reduce a State agency's federally funded share of administrative costs for a fiscal year by an amount that exceeds the product of multiplying—

"(i) the per centum by which the State agency's payment error rate exceeds the maximum payment error rate allowed for the fiscal year under paragraph (2); by

"(ii) the total dollar value of all coupons issued by the State agency during the fiscal year.

"(4) The Secretary may require a State agency to report any factors which the Secretary considers necessary to determine the appropriate level of a State agency's federally funded share of administrative costs under this subsection. If a State agency fails to meet the reporting requirements established by the Secretary, the Secretary shall base the determination on all pertinent information available to the Secretary.

"(5) If the Secretary reduces a State agency's federally funded share of administrative costs under this subsection, the State may seek administrative and judicial review of the action pursuant to section 14."

(b)(1) Section 11(e)(3) (7 U.S.C. 2020(e)(3)) is amended by—

(A) striking out "subsections (h) and (i) of section 16" and inserting in lieu thereof "section 16(e)"; and

(B) striking out "quality control program" and inserting in lieu thereof "error rate reduction system".

Administrative
and judicial
review.

7 USC 2023.

(2) The first sentence of section 18(e) (7 U.S.C. 2027(e)) is amended by striking out "sections 7(f), 11 (c) and (h), 13(b), and 16(g)" and inserting in lieu thereof "sections 7(f), 11 (g) and (h), and 13(b)".

EMPLOYMENT REQUIREMENT PILOT PROJECT

95 Stat. 1290.

"Qualification period."

SEC. 181. Section 17 (7 U.S.C. 2026) is amended by adding at the end thereof the following new subsection:

"(g)(1) As used in this subsection, the term 'qualification period' means a period of time immediately preceding—

"(A) in the case of a new applicant for benefits under this Act, the date on which application for such benefits is made by the individual; or

"(B) in the case of an otherwise continuing recipient of coupons under this Act, the date on which such coupons would otherwise be issued to the individual.

"(2) Upon application of a State or political subdivision thereof, the Secretary may conduct one pilot project involving the employment requirements described in this subsection in each of four project areas selected by the Secretary.

"(3) Under the pilot projects conducted pursuant to this subsection, except as provided in paragraphs (4), (5), and (6), an individual who resides in a project area shall not be eligible for assistance under this Act if the individual was not employed a minimum of twenty hours per week, or did not participate in a workfare program established under section 20, during a qualification period of—

"(A) thirty or more consecutive days, in the case of an individual whose benefits under a State or Federal unemployment compensation law were terminated immediately before such qualification period began; or

"(B) sixty or more consecutive days, in the case of an individual not described in clause (A).

"(4) The provisions of paragraph (3) shall not apply in the case of an individual who—

"(A) is under eighteen or over fifty-nine years of age;

"(B) is certified by a physician as physically or mentally unfit for employment;

"(C) is a parent or other member of a household with responsibility for the care of a dependent child under six years of age or of an incapacitated person;

"(D) is a parent or other caretaker of a child under six years of age in a household in which there is another parent who, unless covered by clause (A) or (B), or both such clauses, is employed a minimum of twenty hours per week or participating in a workfare program established under section 20;

"(E) is in compliance with section 6(d) and demonstrates, in a manner prescribed by the Secretary, that the individual is able and willing to accept employment but is unable to obtain such employment; or

"(F) is a member of any other group described by the Secretary.

"(5) The Secretary may waive the requirements of paragraph (3) in the case of all individuals within all or part of a project area if the Secretary finds that such area—

"(A) has an unemployment rate of over 10 per centum; or

"(B) does not have a sufficient number of jobs to provide employment for individuals subject to this subsection.

7 USC 2015.

Waiver.

"(6) An individual who has become ineligible for assistance under this Act by reason of paragraph (3) may reestablish eligibility for assistance after a period of ineligibility by—

"(1) becoming employed for a minimum of twenty hours per week during any consecutive thirty-day period; or

"(2) participating in a workfare program established under section 20 during any consecutive thirty-day period."

BENEFIT IMPACT STUDY

SEC. 182. Section 17 (7 U.S.C. 2026) (as amended by section 181 of this Act) is amended by adding at the end thereof the following new subsection:

"(h) The Secretary shall conduct a study of the effects of reductions made in benefits provided under this Act pursuant to part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act of 1981, the Food Stamp and Commodity Distribution Amendments of 1981, the Food Stamp Act Amendments of 1982, and any other laws enacted by the Ninety-seventh Congress which affect the food stamp program. The study shall include a study of the effect of retrospective accounting and periodic reporting procedures established under such Acts, including the impact on benefit and administrative costs and on error rates and the degree to which eligible households are denied food stamp benefits for failure to file complete periodic reports. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report on the results of such study no later than February 1, 1984, and a final report on the results of such study no later than March 1, 1985."

95 Stat. 358.
95 Stat. 1282.
Ante, p. 772.

Report to
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committees.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 183. The first sentence of section 18(a)(1) (7 U.S.C. 2027(a)(1)) is amended by—

(1) striking out "and" after "September 30, 1981," and

(2) inserting before the period at the end thereof the following: "; not in excess of \$12,874,000,000 for the fiscal year ending September 30, 1983; not in excess of \$13,145,000,000 for the fiscal year ending September 30, 1984; and not in excess of \$13,933,000,000 for the fiscal year ending September 30, 1985".

95 Stat. 102.

PUERTO RICO BLOCK GRANT

SEC. 184. (a) Section 19(a)(1)(A) (7 U.S.C. 2028(a)(1)(A)) is amended by inserting "noncash" after "expenditures for".

95 Stat. 364.

(b) The amendment made by subsection (a) shall not apply with respect to any plan submitted under section 19(b) of the Food Stamp Act of 1977 (7 U.S.C. 2028(b)) by the Commonwealth of Puerto Rico in order to receive payments for the fiscal year ending September 30, 1982, or the fiscal year ending September 30, 1983.

7 USC 2028 note.

(c) The Secretary of Agriculture shall conduct a study of the impact of making food assistance available to needy persons in the Commonwealth of Puerto Rico in the form of cash under section 19 of the Food Stamp Act of 1977 (7 U.S.C. 2028). The study shall include an analysis of the impact on both the nutritional status of residents of the Commonwealth and the economy of the Commonwealth. The Secretary shall submit a report of the findings of such

Study.

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study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than six months after the effective date of this subtitle.

SIMILAR WORKFARE PROGRAMS

95 Stat. 1291.

SEC. 185. Section 20(a) (7 U.S.C. 2029(a)) is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) adding at the end thereof the following new paragraph:

Guidelines.

"(2)(A) The Secretary shall promulgate guidelines pursuant to paragraph (1) which, to the maximum extent practicable, enable a political subdivision to design and operate a workfare program under this section which is compatible and consistent with similar workfare programs operated by the subdivision.

"(B) A political subdivision may comply with the requirements of this section by operating—

"(i) a workfare program pursuant to title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) any other workfare program which the Secretary determines meets the provisions and protections provided under this section."

WIN PARTICIPANTS

95 Stat. 1291.

SEC. 186. Clause (4) of section 20(b) (7 U.S.C. 2029(b)) is amended by striking out "subject to and currently involved" and inserting in lieu thereof "at the option of the operating agency, subject to and currently actively and satisfactorily participating".

HOURS OF WORKFARE

SEC. 187. Section 20(c) (7 U.S.C. 2029(c)) is amended by striking out "either" and all that follows through the end of the sentence and inserting in lieu thereof: ", when added to any other hours work during such week by such member for compensation (in cash or in kind) in any other capacity, exceeds thirty hours a week."

REIMBURSEMENT FOR WORKFARE ADMINISTRATIVE EXPENSES

SEC. 188. Section 20(g) (7 U.S.C. 2029(g)) is amended by—

(1) redesignating paragraph (2) as paragraph (3), and

(2) inserting after paragraph (1) the following new paragraph:

"(2)(A) From 50 per centum of the funds saved from employment related to a workfare program operated under this section, the Secretary shall pay to each operating agency an amount not to exceed the administrative expenses described in paragraph (1) for which no reimbursement is provided under such paragraph.

Definition.

"(B) For purposes of subparagraph (A), the term 'funds saved from employment related to a workfare program operated under this section' means an amount equal to three times the dollar value of the decrease in allotments issued to households, to the extent that such decrease results from wages received by members of such households for the first month of employment beginning after the date such members commence such employment if such employment commences—

- “(i) while such members are participating for the first time in a workfare program operated under this section; or
 “(ii) in the thirty-day period beginning on the date such first participation is terminated.”.

TECHNICAL CORRECTIONS

SEC. 189. (a) Section 5(f)(2)(A) (as amended by section 107(a) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 360)) is amended by striking out “propsective” and inserting in lieu thereof “prospective”. 7 USC 2014.

(b)(1) Clause (2) of section 6(g) (7 U.S.C. 2015(g)) is amended by striking out “Secretary of Health, Education, and Welfare” and inserting in lieu thereof “Secretary of Health and Human Services”.

(2) Section 11 (7 U.S.C. 2020) is amended by—

(A) in subsection (i), striking out “Secretary of Health, Education, and Welfare” and inserting in lieu thereof “Secretary of Health and Human Services”, and

(B) in subsection (j), striking out “Secretary of Health, Education, and Welfare” and inserting in lieu thereof “Secretary of Health and Human Services”.

(3) The second sentence of section 16(e) (as redesignated by section 180(a)(2) of this Act) is amended by striking out “Secretary of Health, Education, and Welfare” each place it appears and inserting in lieu thereof “Secretary of Health and Human Services”.

(c) Section 16(f) (as redesignated by section 180(a)(2) of this Act) is amended by striking out “; and” and inserting in lieu thereof a period.

CONFORMING AMENDMENTS

SEC. 190. (a) Section 6(d)(2) (7 U.S.C. 2015(d)(2)) (as amended by section 159 of this Act) is amended by redesignating clauses (D) through (F) as clauses (C) through (E), respectively.

(b) Section 6(d) (7 U.S.C. 2015(d)) (as amended by section 160 of this Act) is amended by redesignating paragraph (4) as paragraph (3).

(c)(1) Section 11(e) (17 U.S.C. 2020(e)) (as amended by sections 167(b) and 172 of this Act) is amended by redesignating paragraphs (14) through (22) as paragraphs (13) through (21), respectively.

(2) Section 7(f) (7 U.S.C. 2016(f)) is amended by striking out “section 11(e)(21)” and inserting in lieu thereof “section 11(e)(20)”.

(d) Section 17 (7 U.S.C. 2026) (as amended by sections 152(c), 181, and 182 of this Act) is amended by redesignating subsections (f) through (h) as subsections (d) through (f), respectively.

DISTRIBUTION OF SURPLUS COMMODITIES

SEC. 191. (a) The Congress finds that—

(1) for an increasing number of people in the United States, these are times of great suffering and deprivation;

(2) rising unemployment, decreasing appropriations for social services, and increasingly adverse economic conditions have all contributed to produce hunger and want on a scale not experienced since the time of the Great Depression;

(3) the demand for every conceivable form of assistance for the hungry and needy people of the United States grows more

7 USC 1624 note.

critical daily, while the availability of goods and services to meet the needs of such people is rapidly diminishing;

(4) soup kitchens, food banks, and other organizations which provide food to the hungry report an astronomical increase in the number of persons seeking the assistance of such organizations;

(5) according to a study completed by the General Accounting Office in 1977, one hundred and thirty-seven million tons of food, or more than 20 per centum of this country's total annual food production, is wasted or discarded in the United States each year;

(6) at wholesale and retail food distributors, shipping terminals, and other establishments all across the country, enormous quantities of fresh fruits and vegetables and dated dairy and bakery products are discarded each day, while growing numbers of Americans go to bed hungry and undernourished each night;

(7) in these times of budget constraints and appeals for reductions in Federal spending, the use of private resources to meet the basic food requirements of our citizens should be encouraged; and

(8) many States and local governments have not enacted laws which limit the liability of food donors, such as so-called Good Samaritan Acts and donor liability laws, and thus have discouraged donation of food to the needy by private persons.

(b) It is the sense of the Congress that—

(1) departments and agencies of the Federal Government should take such steps as may be necessary to distribute to hungry people of the United States surplus food or food which would otherwise be discarded;

(2) State and local governments which have not yet enacted so-called Good Samaritan or donor liability laws to encourage private cooperative efforts to provide food for hungry people within their respective jurisdictions should do so as quickly as possible; and

(3) wholesale and retail food distributors, shipping terminals, and other establishments should work more closely with religious, community, and other charitable organizations to make wholesome food which is currently being wasted or discarded by such establishments available for immediate distribution to hungry people of the United States.

EFFECTIVE DATES OF PRIOR AMENDMENTS TO THE FOOD STAMP ACT OF 1977

7 USC 2012 note.
95 Stat. 366.
95 Stat. 358-363.

SEC. 192. (a) Notwithstanding section 117 of the Omnibus Budget Reconciliation Act of 1981 (7 U.S.C. 2012 note), the amendments made by sections 101 through 114 of such Act, other than sections 107(b) and 108(c) of such Act, shall take effect on the earlier of the date of the enactment of this subtitle or the date on which such amendments became effective pursuant to section 117 of such Act.

95 Stat. 1294.
95 Stat.
1282-1291.

(b) Notwithstanding section 1338 of the Agriculture and Food Act of 1981 (7 U.S.C. 2012 note), the amendments made by sections 1302 through 1333 of such Act shall take effect on the earlier of the date of the enactment of this subtitle or the date on which such amendments became effective pursuant to section 1338 of such Act.

EFFECTIVE DATES

SEC. 193. (a) Except as provided in subsection (b), this subtitle and the amendments made by this subtitle shall take effect on the date of the enactment of this subtitle. 7 USC 2012 note.

(b) Sections 180 and 188 shall take effect on October 1, 1982.

TITLE II—BANKING

TREATMENT OF FHA SINGLE-FAMILY MORTGAGE INSURANCE PREMIUMS

SEC. 201. (a) Section 203(b) of the National Housing Act is amended by— 12 USC 1709.

(1) inserting after “150 per centum of such median price” in the first sentence of paragraph (2) the following: “: *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured”; and

(2) inserting after “cost of acquisition” in paragraph (9) the following: “(excluding the mortgage insurance premium paid at the time the mortgage is insured)”.

(b) Section 203(c) of such Act is amended by inserting the following before the period at the end of the fourth sentence: “: *Provided*, That with respect to mortgages (1) for which the Secretary requires, at the time the mortgage is insured, the payment of a single premium charge to cover the total premium obligation for the insurance of the mortgage, and (2) on which the principal obligation is paid before the number of years on which the premium with respect to a particular mortgage was based, or the property is sold subject to the mortgage or is sold and the mortgage is assumed prior to such time, the Secretary shall provide for refunds, where appropriate, of a portion of the premium paid and shall provide for appropriate allocation of the premium cost among the mortgagors over the term of the mortgage, in accordance with procedures established by the Secretary which take into account sound financial and actuarial considerations”.

(c) Section 213(b)(2) of such Act is amended by inserting after “exceeded by not to exceed 90 per centum in such an area” the following: “: *Provided further*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured”. 12 USC 1715e.

(d) Section 221(d) of such Act is amended by— 12 USC 1715l.

(1) inserting after “in any geographical area where he finds that cost levels so require” in paragraph (2)(A) the following: “: *Provided further*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured”;

(2) inserting after “of its acquisition cost” in paragraph (2)(B)(i)(2) the following: “(excluding the mortgage insurance premium paid at the time the mortgage is insured)”;

(3) striking out “mortgage insurance premium,” in paragraph (2)(B)(i)(2).

(e) Section 234(c) of such Act is amended by inserting after “one-family house price in the area, as determined by the Secretary” in clause (A) of the third sentence thereof the following: “: *Provided*, That the foregoing maximum mortgage amounts may be increased 12 USC 1715y.

by the amount of the mortgage insurance premium paid at the time the mortgage is insured".

12 USC 1715z.

(f) Section 235(i) of such Act is amended by—

(1) inserting after "respectively" in paragraph (3)(B) the following: "Provided, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured";

(2) inserting after "respectively" in paragraph (3)(C) the following: "Provided, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured";

(3) inserting after "so require)" in paragraph (3)(D) the following: "Provided, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured"; and

(4) inserting after "acquisition" in paragraph (3)(E) the following: "(excluding the mortgage insurance premium paid at the time the mortgage is insured)".

12 USC 1709
note.

(g) The amendments made by this section, other than by subsection (b), may be implemented only if the Secretary determines that the program of advance payment of insurance premiums, with specific regard to the effect of the provisions authorized by the amendments made by this section, is actuarially sound.

BUREAU OF THE MINT

Appropriation
authorization.

SEC. 202. The last sentence of section 3552 of the Revised Statutes (31 U.S.C. 369) is amended to read as follows: "There are authorized to be appropriated for fiscal year 1983 not to exceed \$50,165,000 for all expenditures (salaries and expenses) of the mints and assay offices not herein otherwise provided for."

TITLE III—CIVIL SERVICE PROGRAMS AND GOVERNMENT OPERATIONS

Subtitle A—Civil Service Programs

COST-OF-LIVING ADJUSTMENTS DURING FISCAL YEARS 1983, 1984, AND 1985

5 USC 8340 note.

SEC. 301. (a)(1) Except as provided in paragraph (3), the cost-of-living increase under any Government retirement system in annuity or retired or retainer pay of any early retiree taking effect in each of fiscal years 1983, 1984, and 1985, shall be equal to one-half of the assumed increase in the price index for that year.

(2) For purposes of this subsection, an individual shall be considered to be an early retiree if—

(A) the individual is under the age of 62 years as of the effective date of the cost-of-living increase involved (determined without regard to subsection (b));

(B) the annuity or retired or retainer pay of the individual is not computed in whole or in part based on any disability of the individual; and

(C) the annuity or retired or retainer pay of the individual is based upon the Government service of the individual.

(3) If the percentage increase in the price index for fiscal year 1983, 1984, or 1985 (as determined by the Office of Personnel Management on the basis of the calendar year ending in such year) exceeds the assumed increase in the price index for that year, then the increase in the annuity or retired or retainer pay of an early retiree under paragraph (1) taking effect in that fiscal year shall be equal to—

(A) one-half of the assumed increase in the price index for that year, plus

(B) the amount by which the percentage increase in the price index exceeds the assumed price index increase.

(4) As used in this subsection—

(A) the term "price index" has the meaning given such term in section 8331(15) of title 5, United States Code; and

(B) the term "assumed increase in the price index" means—

- (i) 6.6 percent, in the case of fiscal year 1983,
- (ii) 7.2 percent, in the case of fiscal year 1984, and
- (iii) 6.6 percent, in the case of fiscal year 1985.

(5) The amount of any survivor annuity which is based on the service of any early retiree subject to this subsection shall be computed as if this subsection had not been enacted.

(b)(1) Notwithstanding any other provision of law, any cost-of-living increase under a Government retirement system shall not take effect until—

(A) the first day of the first calendar month after the date such increase would otherwise take effect, in the case of increases taking effect during fiscal year 1983;

(B) the first day of the second calendar month after the date such increase would otherwise take effect, in the case of increases taking effect during fiscal year 1984; and

(C) the first day of the third calendar month after the date such increase would otherwise take effect, in the case of increases taking effect during fiscal year 1985.

(2) Nothing in this subsection shall be construed to affect the eligibility for any increase in annuity or retired or retainer pay or the amount of the first increase in annuity or retired or retainer pay under section 8340 (b) or (c) of title 5, United States Code, or comparable provisions of law.

(c) For purposes of this section, the term "cost-of-living increase under a Government retirement system" means any increase under—

- (1) section 8340(b) of title 5, United States Code;
- (2) section 826 of the Foreign Service Act of 1980;
- (3) the Central Intelligence Agency Act of 1964 for Certain Employees (50 U.S.C. 403 note);
- (4) section 1401a(b) of title 10, United States Code; or
- (5) any other adjustment of any annuity under a retirement system for Government officers or employees which the President determines, by Executive order, is based on adjustments under any of the provisions referred to in the preceding paragraphs.

(d)(1) In the case of any member or former member of a uniformed service who, during any period in fiscal year 1983, 1984, or 1985, is receiving retired or retainer pay and holds a civilian position, there shall be deducted from the pay for such position an amount equal to the amount of any increase in such individual's retired or retainer pay pursuant to section 1401a(b) of title 10, United States Code,

Definitions.

5 USC 8340 note.

Definition.

5 USC 8340 note.

22 USC 4066.

5 USC 5532 note.

which takes effect during any of such fiscal years in which he holds such a civilian position and which is allocable to the period of actual employment in such civilian position. The amounts so deducted shall be deposited into the general fund of the Treasury of the United States.

(2) For the purpose of this subsection—

"Uniformed
service."

(A) the term "uniformed service" has the meaning given that term by section 2101 of title 5, United States Code; and

"Civilian
position."

(B) the term "civilian position" means a position, as defined in section 5531(2) of title 5, United States Code.

Prec. title 1 USC.

(3) This subsection shall not apply to reduce the salary of any person whose compensation may not, under section 1 of article III of the Constitution of the United States, be diminished during such individual's continuance in office.

(4) The reduction in pay required by this subsection does not apply to a member or former member of a uniformed service receiving retired or retainer pay whose retired or retainer pay is computed, in whole or in part, based on disability—

(A) resulting from injury or disease received in line of duty as a direct result of armed conflict; or

(B) caused by an instrumentality of war and incurred in line of duty during a period of war as defined by sections 101 and 301 of title 38, United States Code.

DISABILITY RETIREMENT

SEC. 302. (a) Section 8337 of title 5, United States Code, is amended—

(1) by striking out "1 year" in the second sentence of subsection (d) and inserting in lieu thereof "180 days";

(2) by striking out "each of 2 succeeding calendar years" in the third sentence of subsection (d) and inserting in lieu thereof "any calendar year"; and

"Technician."

(3) by adding at the end thereof the following new subsection:

"(h)(1) As used in this subsection, the term 'technician' means an individual employed under section 709(a) of title 32 who, as a condition of the employment, is required under section 709(b) of such title to be a member of the National Guard and to hold a specified military grade.

"(2)(A) Except as provided in subparagraph (B) of this paragraph, an individual shall be retired under this section if the individual—

"(i) is separated from employment as a technician under section 709(e)(1) of title 32 by reason of a disability that disqualifies the individual from membership in the National Guard or from holding the military grade required for such employment;

"(ii) is not considered to be disabled under the second sentence of subsection (a) of this section;

"(iii) is not appointed to a position in the Government (whether under paragraph (3) of this subsection or otherwise); and

"(iv) has not declined an offer of an appointment to a position in the Government under paragraph (3) of this subsection.

"(B) Payment of any annuity for an individual pursuant to this subsection terminates—

"(i) on the date the individual is appointed to a position in the Government (whether pursuant to paragraph (3) of this subsection or otherwise);

“(ii) on the date the individual declines an offer of appointment to a position in the Government under paragraph (3); or

“(iii) as provided under subsection (d).

“(3) Any individual applying for or receiving any annuity pursuant to this subsection shall, in accordance with regulations prescribed by the Office, be considered by any agency of the Government before any vacant position in the agency is filled if—

“(A) the position is located within the commuting area of the individual’s former position;

“(B) the individual is qualified to serve in such position, as determined by the head of the agency; and

“(C) the position is at the same grade or equivalent level as the position from which the individual was separated under section 709(e)(1) of title 32.”

(b) Section 8347(m) of title 5, United States Code, is amended—

(1) by striking out “and” at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting a semicolon in lieu thereof; and

(3) by adding at the end thereof the following new paragraphs:

“(3) the Secretary of Health and Human Services or the Secretary’s designee shall provide information contained in the records of the Social Security Administration; and

“(4) the Secretary of Labor or the Secretary’s designee shall provide information on benefits paid under subchapter I of chapter 81 of this title.”

(c)(1) Except as provided in paragraphs (2) and (3), the amendments made by subsections (a) and (b) shall take effect October 1, 1982, and shall apply with respect to individuals retiring on or after such date.

(2) The amendments made by paragraphs (1) and (2) of subsection (a) shall take effect with respect to income earned after December 31, 1982.

(3) Subsection (h) of section 8337 of title 5, United States Code (as added by subsection (a)) shall apply to any technician (as defined in paragraph (1) of such subsection (h)) who separated from employment as a technician on or after December 31, 1979, and before October 1, 1982, if application therefor is made to the Office of Personnel Management within 12 months after the date of the enactment of this Act. Any annuity resulting from such application shall commence as of the day after the date such application is received by the Office.

5 USC 8101.

Effective dates.

5 USC 8337 note.

INTEREST RATES, DEPOSITS, REFUNDS, AND REDEPOSITS

SEC. 303. (a)(1) Section 8334(e) of title 5, United States Code, is amended to read as follows:

“(e)(1) Interest under subsection (c), (d), or (j) of this section is computed in accordance with paragraphs (2) and (3) of this subsection and regulations prescribed by the Office of Personnel Management.

“(2) Interest accrues annually on the outstanding portion of any amount that may be deposited under subsection (c), (d), or (j) of this section, and is compounded annually, until the portion is deposited. Such interest is computed from the mid-point of each service period included in the computation, or from the date refund was paid. The deposit may be made in one or more installments. Interest may not

be charged for a period of separation from the service which began before October 1, 1956.

5 USC 8348. “(3) The rate of interest is 4 percent a year through December 31, 1947, and 3 percent a year beginning January 1, 1948, through December 31, 1984. Thereafter, the rate of interest for any calendar year shall be equal to the overall average yield to the Fund during the preceding calendar year from all obligations purchased by the Secretary of the Treasury during such calendar year under section 8348 (c), (d), and (e) of this title, as determined by the Secretary.”

Ante, p. 793. (2) The second sentence of section 8343(a) of title 5, United States Code, is amended by inserting after “at 3 percent a year” the following: “through December 31, 1984, and thereafter at the rate computed under section 8334(e) of this title.”

(b) Section 8339(i) of title 5, United States Code, is amended to read as follows:

5 USC 8334. “(i) For the purposes of subsections (a)–(h) and (n) of this section, the total service of any employee or Member shall not include any period of civilian service after July 31, 1920, for which retirement deductions or deposits have not been made under section 8334(a) of this title unless—

“(1) the employee or Member makes a deposit for such period as provided in section 8334(c) or (d) of this title; or

“(2) no deposit is required for such service, as provided under section 8334(g) of this title or under any statute.”

Lump-sum credit. (c) Section 8342(a) of title 5, United States Code, is amended to read as follows:

“(a) An employee or Member who—

“(1)(A) is separated from the service for at least thirty-one consecutive days; or

“(B) is transferred to a position in which he is not subject to this subchapter and remains in such position for at least thirty-one consecutive days;

“(2) files an application with the Office of Personnel Management for payment of the lump-sum credit;

“(3) is not reemployed in a position in which he is subject to this subchapter at the time he files the application; and

“(4) will not become eligible to receive an annuity within thirty-one days after filing the application,

is entitled to be paid the lump-sum credit. The receipt of the payment of the lump-sum credit by the employee or Member voids all annuity rights under this subchapter based on the service on which the lump-sum credit is based, until the employee or Member is reemployed in the service subject to this subchapter.”

5 USC 8334 note. (d)(1) The amendments made by subsections (a) and (b) shall apply with respect to deposits for service performed on or after October 1, 1982, and with respect to refunds made on or after such date. The provisions of section 8334 and section 8339(i) of title 5, United States Code, as in effect the day before the date of the enactment of this Act, shall continue to apply with respect to periods of service and refunds occurring on or before September 30, 1982.

Effective date. (2) The amendment made by subsection (c) shall take effect October 1, 1982.

5 USC 8342 note.

ROUNDING DOWN OF CIVIL SERVICE RETIREMENT ANNUITIES

SEC. 304. (a) The first sentence of section 8340(e) of title 5, United States Code, is amended by striking out "fixed at the nearest" and inserting in lieu thereof "rounded to the next lowest".

(b) Section 8345(a) of title 5, United States Code, is amended by striking out "fixed at the nearest" and inserting in lieu thereof "rounded to the next lowest".

(c) The amendments made by subsections (a) and (b) shall apply with respect to any annuity commencing on or after October 1, 1982, and with respect to any adjustment or redetermination of any annuity made on or after such date.

5 USC 8340 note.

LATER COMMENCEMENT DATE FOR CERTAIN ANNUITIES

SEC. 305. (a) Section 8345(b) of title 5, United States Code, is amended to read as follows:

"(b)(1) Except as otherwise provided—

"(A) an annuity of an employee or Member commences on the first day of the month after—

"(i) separation from the service; or

"(ii) pay ceases and the service and age requirements for title to annuity are met; and

"(B) any other annuity payable from the Fund commences on the first day of the month after the occurrence of the event on which payment thereof is based.

"(2) The annuity of—

"(A) an employee involuntarily separated from service, except by removal for cause on charges of misconduct or delinquency; and

"(B) an employee or Member retiring under section 8337 of this title due to a disability;

5 USC 8337.

shall commence on the day after separation from the service or the day after pay ceases and the service and age or disability requirements for title to annuity are met."

(b) The amendment made by subsection (a) shall apply to annuities which commence on or after October 1, 1982.

5 USC 8345 note.

CREDITABLE SERVICE BASED ON MILITARY SERVICE

SEC. 306. (a) Section 8331(8)(B) of title 5, United States Code, is amended by inserting after "service" a comma and "including any amounts deposited under section 8334(j) of this title".

(b) Section 8332(c) of title 5, United States Code, is amended to read as follows:

"(c)(1) Except as provided in paragraph (2) of this subsection and subsection (d) of this section—

"(A) the service of an individual who first becomes an employee or Member before October 1, 1982, shall include credit for each month of military service performed before the date of the separation on which the entitlement to an annuity under this subchapter is based, subject to section 8332(j) of this title; and

"(B) the service of an individual who first becomes an employee or Member on or after October 1, 1982, shall include credit for each month of military service (performed before the date of the separation on which the entitlement to an annuity

Infra.

under this subchapter is based) only if a deposit with interest, if any, is made with respect to that month, as provided in section 8334(j) of this title.

"(2) If an employee or Member is awarded retired pay based on any period of military service, the service of the employee or Member may not include credit for such period of military service unless the retired pay is awarded—

"(A) based on a service-connected disability—

"(i) incurred in combat with an enemy of the United States; or

"(ii) caused by an instrumentality of war and incurred in line of duty during a period of war as defined by section 301 of title 38; or

"(B) under chapter 67 of title 10."

10 USC 1331 et
seq.

(c) Subsection (j) of section 8332 of title 5, United States Code, is amended—

(1) by inserting "(1)" after "(j)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) The provisions of paragraph (1) of this subsection relating to credit for military service shall not apply to—

"(A) any month of military service of an employee or Member with respect to which the employee or Member has made a deposit with interest, if any, under section 8334(j) of this title; or

"(B) the service of any employee or Member described in section 8332(c)(1)(B) of this title."

Ante, p. 795.

(d) Section 8334 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(j)(1) Each employee or Member who has performed military service before the date of the separation on which the entitlement to any annuity under this subchapter is based may pay, in accordance with such regulations as the Office shall issue within 90 days after the effective date of this subsection, to the agency by which the employee is employed or, in the case of a Member or a Congressional employee, to the Secretary of the Senate or the Clerk of the House of Representatives, as appropriate, an amount equal to 7 percent of the amount of the basic pay paid under section 204 of title 37 to the employee or Member for each month of military service after December 1956, as certified to the agency, the Secretary of the Senate, or the Clerk of the House of Representatives, as appropriate, by the Secretary of Defense, the Secretary of Transportation, the Secretary of Commerce, or the Secretary of Health and Human Services, as appropriate, upon the employee's or Member's request.

Deposit.

"(2) Any deposit made under paragraph (1) of this subsection more than two years after the later of—

"(A) October 1, 1982; or

"(B) the date on which the employee or Member making the deposit first becomes an employee or Member.

shall include interest on such amount computed and compounded annually beginning on the date of the expiration of the two-year period. The interest rate that is applicable in computing interest in any year under this paragraph shall be equal to the interest rate that is applicable for such year under subsection (e) of this section.

Payment
remittance.

"(3) Any payment received by an agency, the Secretary of the Senate, or the Clerk of the House of Representatives under this subsection shall be immediately remitted to the Office for deposit in the Treasury of the United States to the credit of the Fund.

"(4) The Secretary of Defense, the Secretary of Transportation, the Secretary of Commerce, or the Secretary of Health and Human Services, as appropriate, shall furnish such information to the Office as the Office may determine to be necessary for the administration of this subsection."

(e) Section 8334(g)(2) of title 5, United States Code, is amended by inserting after "military service" the following: ", except to the extent provided under section 8332(c) or section 8334(j) of this title".

5 USC 8332;
Ante, p. 796.

(f) Section 8348(g) of title 5, United States Code, is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a comma and "less an amount determined by the Office to be appropriate to reflect the value of the deposits made to the credit of the Fund under section 8334(j) of this title."

(g) The amendments made by this section shall take effect October 1, 1982.

Effective date.
5 USC 8331 note.

RECOMPUTATION AT AGE 62 OF CREDIT FOR MILITARY SERVICE OF CURRENT ANNUITANTS

SEC. 307. (a) The provisions of section 8332(j) of title 5, United States Code, relating to credit for military service, shall not apply with respect to any individual who is entitled to an annuity under subchapter III of chapter 83 of title 5, United States Code, on or before the date of enactment of this Act.

5 USC 8332 note.

(b) Subject to subsection (b), in any case in which an individual described in subsection (a) is also entitled to old-age insurance benefits under section 202(a) of the Social Security Act (or would be entitled to such benefits upon filing application therefor), the amount of the annuity to which such individual is entitled under subchapter III of chapter 83 of title 5, United States Code, (after taking into account subsection (a)) which is payable for any month shall be reduced by an amount determined by multiplying the amount of such old-age insurance benefit for the determination month by a fraction—

5 USC 8331.

(1) the numerator of which is the total of the wages (within the meaning of section 209 of the Social Security Act) for service referred to in section 210(l) of such Act (relating to service in the uniformed services) and deemed additional wages (within the meaning of section 229 of such Act) of such individual credited for years after 1956 and before the calendar year in which the determination month occurs, up to the contribution and benefit base determined under section 230 of the Social Security Act (or other applicable maximum annual amount referred to in section 215(e)(1) of such Act) for each such year, and

42 USC 402.

42 USC 409.
42 USC 410.
42 USC 429.

(2) the denominator of which is the total of all wages and deemed additional wages described in paragraph (1) of this subsection plus all other wages (within the meaning of section 209 of such Act) and all self-employment income (within the meaning of section 211(b) of such Act) of such individual credited for years after 1936 and before the calendar year in which the determination month occurs, up to the contribution and benefit base (or such other amount referred to in such section 215(e)(1)) for each such year.

42 USC 430.
42 USC 415.

42 USC 409.
42 USC 411.

42 USC 415.

(c) Subsection (b) shall not reduce the annuity of any individual below the amount of the annuity which would be payable under this subchapter to the individual for the determination month if section

8332(j) of title 5, United States Code, applied to the individual for such month.

"Determination month." (d) For purposes of this section, the term "determination month" means—

42 USC 402. (1) the first month the individual described in subsection (a) is entitled to old-age insurance benefits under section 202(a) of the Social Security Act (or would be entitled to such benefits upon filing application therefor); or

(2) October 1982, in the case of any individual so entitled to such benefits for such month.

Effective date. (e) The preceding provisions of this section shall take effect with respect to any annuity payment payable under subchapter III of chapter 83 of title 5, United States Code, for calendar months beginning after September 30, 1982.

5 USC 8331. (f) The Secretary of Health and Human Services shall furnish such information to the Office of Personnel Management as may be necessary to carry out the preceding provisions of this section.

IMMEDIATE RETIREMENT

SEC. 308. (a) Subsection (d) of section 8336 of title 5, United States Code, is amended to read as follows:

"(d) An employee who—

"(1) is separated from the service involuntarily, except by removal for cause on charges of misconduct or delinquency; or

"(2) while serving in a geographic area designated by the Office of Personnel Management, is separated from the service voluntarily during a period in which the Office determines that—

"(A) the agency in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function; and

"(B) a significant percent of the employees serving in such agency will be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53 of this title or comparable provisions);

5 USC 5361.

after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity. Notwithstanding the first sentence of this subsection, an employee described in paragraph (1) of this subsection is not entitled to an annuity under this subsection if the employee has declined a reasonable offer of another position in the employee's agency for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area."

Nonentitlement of annuity.

Effective date.

5 USC 8336 note.

(b) The amendment made by subsection (a) shall take effect October 1, 1982.

GENERAL LIMITATION ON COST-OF-LIVING ADJUSTMENT FOR ANNUITIES

SEC. 309. (a) Section 8340 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(g)(1) An annuity shall not be increased by reason of any adjustment under this section to an amount which exceeds the greater of—

“(A) the maximum pay payable for GS-15 30 days before the effective date of the adjustment under this section; or

“(B) the final pay (or average pay, if higher) of the employee or Member with respect to whom the annuity is paid, increased by the overall annual average percentage adjustments (compounded) in rates of pay of the General Schedule under subchapter I of chapter 53 of this title during the period—

5 USC 5301.

“(i) beginning on the date the annuity commenced (or, in the case of a survivor of the retired employee or Member, the date the employee's or Member's annuity commenced), and

“(ii) ending on the effective date of the adjustment under this section.

“(2) For the purposes of paragraph (1) of this subsection, ‘pay’ means the rate of salary or basic pay as payable under any provision of law, including any provision of law limiting the expenditure of appropriated funds.”

“Pay.”

(b) The amendment made by subsection (a) of this section shall not cause any annuity to be reduced below the rate that is payable on the date of the enactment of this Act, but shall apply to any adjustment occurring on or after such date of enactment under section 8340 of title 5, United States Code, to any annuity payable from the Civil Service Retirement and Disability Fund, whether such annuity has a commencing date before, on, or after the date of enactment of this Act.

5 USC 8340 note.

FEDERAL EMPLOYEE PAY ADJUSTMENTS

SEC. 310. (a)(1) Notwithstanding any other provision of law, if—

5 USC 5305 note.

(A) before September 1, 1982, the President transmits to the Congress pursuant to section 5305(c)(1) of title 5, United States Code, an alternative plan which provides for an overall percentage pay adjustment which is less than 4 percent, and

(B) the alternative plan referred to in subparagraph (A) is disapproved pursuant to such section 5305,

the rates of pay under the General Schedule and the rates of pay under the other statutory pay systems shall be increased under the provisions of such section 5305 by 4 percent in the case of fiscal year 1983.

(2) Each increase in a pay rate or schedule which takes effect pursuant to paragraph (1) shall, to the maximum extent practicable, be of the same percentage, and shall take effect on the first day of the first applicable pay period commencing on or after October 1 of such fiscal year.

Effective date.

(b)(1) Notwithstanding any other provision of law, effective with respect to fiscal years 1984 and 1985, and applicable in the case of an employee under the General Schedule, any hourly rate derived under section 5504(b)(1) of title 5, United States Code, shall be derived by dividing the annual rate of basic pay by 2,087.

5 USC 5504 note.

(2) Paragraph (1) shall not apply in determining basic pay for purposes of subchapter III of chapter 83 of title 5, United States Code.

5 USC 8331.

(3) The Office of Personnel Management may prescribe regulations necessary for the administration of this subsection insofar as this subsection affects employees in or under an Executive agency.

SUBTITLE B—LIMITATION ON TRAVEL AND TRANSPORTATION EXPENSES

TRAVEL AND TRANSPORTATION EXPENSES FOR VACATION LEAVE

SEC. 351. (a) Section 5728 of title 5, United States Code, is amended by inserting a comma and "Alaska, and Hawaii" after "continental United States" each place it occurs in subsections (a) and (b).

(b) Such section is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) Under such regulations as the President may prescribe, an agency may pay, subject to paragraph (3) of this subsection, the expenses described in paragraph (2) of this subsection in any case in which the head of the agency determines that the payment of such expenses is necessary for the purpose of recruiting or retaining an employee for service of a tour of duty at a post of duty in Alaska or Hawaii.

"(2) The expenses payable under paragraph (1) of this subsection are the expenses of round-trip travel of an employee, and the transportation of his immediate family, but not household goods, from his post of duty in Alaska or Hawaii to the place of his actual residence at the time of appointment or transfer to the post of duty, incurred after he has satisfactorily completed an agreed period of service in Alaska or Hawaii and in returning to his actual place of residence to take leave before serving another tour of duty at the same or another post of duty in Alaska or Hawaii under a new written agreement made before departing from the post of duty.

"(3) The payment of expenses of any employee and the transportation of his family under paragraph (1) of this subsection is limited to the expenses of travel and transportation incurred for not more than two round trips commenced within 5 years after the date the employee first commences any period of consecutive tours of duty in Alaska or Hawaii."

5 USC 5728 note.

(c) Notwithstanding section 5728(c)(3) of title 5, United States Code (as added by subsection (b)(2) of this section), the agency shall pay under section 5728(c)(1) of such title (as added by subsection (b)(2) of this section) the expenses of one round-trip of travel of an employee who has served on consecutive tours of duty at posts of duty in Alaska or Hawaii for a period beginning at least five years before the date of enactment of this Act and including such date and the expenses of transportation of such employee's immediate family on one round-trip.

Effective date.

5 USC 5728 note.

(d) The amendments made by subsection (a) shall take effect with respect to expenses incurred after the date of enactment of this Act for round-trip travel (commenced after such date) of an employee or transportation of his immediate family from his post of duty to the place of his actual residence at the time of appointment or transfer to the post of duty.

"Employee."

5 USC 5728 note.

(e) For the purposes of subsections (c) and (d), the term "employee" shall have the same meaning as provided in section 5721(2) of title 5, United States Code.

Subtitle C—Cost-of-Living Adjustments

UNIFORMED SERVICES

SEC. 361. For cost savings achieved through a limitation on the amount of the annual adjustment of retired and retainer pay of members and former members of the uniformed services, in satisfaction of the reconciliation requirements of section 2(b)(2), section 2(c)(2), and section 2(c)(4) of the first concurrent resolution on the budget for fiscal year 1983, see section 301 of this Act and section 1401a(b) of title 10, United States Code.

Ante, p. 790.

COAST GUARD

SEC. 362. For cost savings achieved through a limitation on the amount of the annual adjustment of retired and retainer pay of members and former members of the uniformed services, in satisfaction of the reconciliation requirements of section 2(b)(4) and section 2(c)(6) of the first concurrent resolution on the budget for fiscal year 1983, see section 301 of this Act and section 1401a(b) of title 10, United States Code.

FOREIGN SERVICE

SEC. 363. For cost savings achieved through a limitation on the amount of the annual adjustment of the annuity payable from the Foreign Service Retirement and Disability Fund, in satisfaction of the reconciliation requirements of section 2(b)(5) and section 2(c)(5) of the first concurrent resolution on the budget for fiscal year 1983, see section 301 of this Act and sections 826 and 827 of the Foreign Service Act of 1980.

22 USC 4066,
4067.

TITLE IV—VETERANS' BENEFITS

COMMENCEMENT OF CERTAIN PERIODS OF PAYMENT

SEC. 401. (a)(1) Chapter 51 of title 38, United States Code, is amended by inserting after section 3010 the following new section:

“§ 3011. Commencement of period of payment

38 USC 3011.

“(a) Notwithstanding section 3010 of this title or any other provision of law and except as provided in subsection (c) of this section, payment of monetary benefits based on an award or an increased award of compensation, dependency and indemnity compensation, or pension may not be made to an individual for any period before the first day of the calendar month following the month in which the award or increased award became effective as provided under section 3010 of this title or such other provision of law.

38 USC 3010.

“(b)(1) Except as provided in paragraph (2) of this subsection, during the period between the effective date of an award or increased award as provided under section 3010 of this title or other provision of law and the commencement of the period of payment based on such award as provided under subsection (a) of this section, an individual entitled to receive monetary benefits shall be deemed to be in receipt of such benefits for the purpose of all laws administered by the Veterans' Administration.

Waiver.

"(2) If any person who is in receipt of retired or retirement pay would also be eligible to receive compensation or pension upon the filing of a waiver of such pay in accordance with section 3105 of this title, such waiver shall not become effective until the first day of the month following the month in which such waiver is filed, and nothing in this section shall prohibit the receipt of retired or retirement pay for any period before such effective date.

38 USC 3105.

38 USC 3110.

"(c) This section shall apply to payments made pursuant to section 3110 of this title only if the monthly amount of dependency and indemnity compensation or pension payable to the surviving spouse is greater than the amount of compensation or pension the veteran would have received, but for such veteran's death, for the month in which such veteran's death occurred.

"Award or increased award."

"(d) For the purposes of this section, the term 'award or increased award' means—

"(1) an original or reopened award; or

"(2) an award that is increased because of an added dependent, increase in disability or disability rating, or reduction in income."

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3010 the following new item:

"3011. Commencement of period of payment."

Effective date.

38 USC 3011
note.

(b) Section 3011 of title 38, United States Code, as added by subsection (a), shall apply to awards and increased awards the effective dates of which are after September 30, 1982.

ADVANCEMENT OF EFFECTIVE DATE OF CERTAIN REDUCTIONS OF COMPENSATION AND PENSION

SEC. 402. (a) Section 3012(b)(2) of title 38, United States Code, is amended by striking out "calendar year" and inserting in lieu thereof "month".

38 USC 3012
note.

(b) The amendment made by subsection (a) shall apply with respect to any marriage, annulment, divorce, or death that occurs after September 30, 1982.

ROUNDING DOWN OF PENSION TO NEAREST DOLLAR

SEC. 403. (a)(1) Chapter 51 of title 38, United States Code, is amended by adding at the end the following new section:

38 USC 3023.

"§ 3023. Rounding down of pension rates

38 USC 521, 541,
542.

38 USC 521 note.

"The monthly or other periodic rate of pension payable to an individual under section 521, 541, or 542 of this title or under section 306(a) of the Veterans' and Survivors' Pension Improvement Act of 1978 (Public Law 95-588), if not a multiple of \$1, shall be rounded down to the nearest dollar."

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"3023. Rounding down of pension rates."

38 USC 3023
note.

(b) The amendment made by this section shall apply with respect to amounts payable for periods beginning after May 31, 1983.

ROUNDING RULE FOR CERTAIN RATES OF COMPENSATION

SEC. 404. (a) Section 314(p) of title 38, United States Code, is amended by inserting "down" after "rounded".

(b) The second sentence of section 315(2) of such title is amended to read as follows: "The amounts payable under this paragraph, if not a multiple of \$1, shall be rounded down to the nearest dollar.".

(c) The amendments made by this section shall take effect on October 1, 1982.

38 USC 315.

Effective date.
38 USC 314 note.

ROUNDING DOWN OF FISCAL YEAR 1983 COMPENSATION COST-OF-LIVING INCREASE

SEC. 405. (a) In contemplation of the enactment, after the date of the enactment of this Act, of legislation providing for cost-of-living increases to be effective on October 1, 1982, in the rates of disability compensation and dependency and indemnity compensation under chapters 11 and 13, respectively, of title 38, United States Code, and the rounding down of the amounts so provided to the nearest dollar and the realigning of the amounts of disability compensation paid on account of dependents, the adjustments made by this section in the current rates under such chapters are enacted, effective January 1, 1983, with the intent that they be superseded by the rounded and realigned increased rates to be provided for in such legislation.

38 USC 314 note.

38 USC 301 *et seq.*, 401 *et seq.*

(b) Section 314 of title 38, United States Code, is amended—

95 Stat. 1026.

(1) by striking out "\$58" in subsection (a) and inserting in lieu thereof "\$57";

(2) by striking out "\$162" in subsection (c) and inserting in lieu thereof "\$161";

(3) by striking out "\$413" in subsection (f) and inserting in lieu thereof "\$412";

(4) by striking out "\$604" in subsection (h) and inserting in lieu thereof "\$603";

(5) by striking out "\$62", "\$1,403", "\$62", and "\$1,966" in subsection (k) and inserting in lieu thereof "\$61", "\$1,402", "\$61", and "\$1,965", respectively;

(6) by striking out "\$1,403" in subsection (l) and inserting in lieu thereof "\$1,402";

(7) by striking out "\$1,547" in subsection (m) and inserting in lieu thereof "\$1,546";

(8) by striking out "\$1,758" in subsection (n) and inserting in lieu thereof "\$1,757";

(9) by striking out "\$1,966" each place it appears in subsections (o) and (p) and inserting in lieu thereof in each such place "\$1,965";

(10) by striking out "\$844" and "\$1,257" in subsection (r) and inserting in lieu thereof "\$843" and "\$1,256", respectively;

(11) by striking out "\$1,264" in subsection (s) and inserting in lieu thereof "\$1,263"; and

(12) by striking out "\$244" in subsection (t) and inserting in lieu thereof "\$243".

(c) Section 315 of such title is amended—

95 Stat. 1027.

38 USC 315.

(1) by striking out "\$116" in clause (1)(B) and inserting in lieu thereof "\$115";

(2) by striking out "\$38" in clause (1)(D) and inserting in lieu thereof "\$37"; and

(3) by striking out "\$38" in clause (1)(G) and inserting in lieu thereof "\$37".

95 Stat. 1027.

38 USC 362.

(d) Section 362 of such title is amended by striking out "\$305" and inserting in lieu thereof "\$304".

95 Stat. 1028.

38 USC 411.

(e)(1) Subsection (a) of section 411 of such title is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a surviving spouse, based on the pay grade of the person upon whose death entitlement is predicated, at monthly rates set forth in the following table:

"Pay grade	Monthly rate	"Pay grade	Monthly rate
E-1.....	\$414	W-4.....	\$594
E-2.....	\$427	O-1.....	\$524
E-3.....	\$438	O-2.....	\$541
E-4.....	\$466	O-3.....	\$579
E-5.....	\$479	O-4.....	\$612
E-6.....	\$490	O-5.....	\$675
E-7.....	\$514	O-6.....	\$760
E-8.....	\$541	O-7.....	\$823
E-9.....	¹ \$566	O-8.....	\$902
W-1.....	\$524	O-9.....	\$969
W-2.....	\$545	O-10.....	² \$1,060
W-3.....	\$561		

¹ If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be \$609.

² If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be \$1,137."

(2) Subsection (b) of such section is amended by striking out "\$48" and inserting in lieu thereof "\$47".

(3) Subsection (c) of such section is amended by striking out "\$125" and inserting in lieu thereof "\$124".

(4) Subsection (d) of such section is amended by striking out "\$62" and inserting in lieu thereof "\$61".

95 Stat. 1029.

38 USC 413.

(f) Section 413 of such title is amended—

(1) by striking out "\$210" in clause (1) and inserting in lieu thereof "\$209";

(2) by striking out "\$301" in clause (2) and inserting in lieu thereof "\$300";

(3) by striking out "\$389" in clause (3) and inserting in lieu thereof "\$388"; and

(4) by striking out "\$389" and "\$79" in clause (4) and inserting in lieu thereof "\$388" and "\$78", respectively.

95 Stat. 1029.

38 USC 414.

(g) Section 414 of such title is amended—

(1) by striking out "\$125" in subsection (a) and inserting in lieu thereof "\$124";

(2) by striking out "\$210" in subsection (b) and inserting in lieu thereof "\$209"; and

(3) by striking out "\$107" in subsection (c) and inserting in lieu thereof "\$106".

Effective date.

38 USC 314 note.

(h) The amendments made by this section shall take effect on January 1, 1983.

FEE FOR HOME LOANS

SEC. 406. (a)(1) Subchapter III of chapter 37 of title 38, United States Code, is amended by adding at the end the following new section:

"§ 1829. Loan fee

38 USC 1829.

"(a) Except as provided in subsection (b) of this section, a fee shall be collected from each veteran obtaining a housing loan guaranteed, made, or insured under this chapter, and no such loan may be guaranteed, made, or insured under this chapter until the fee payable with respect to such loan has been remitted to the Administrator. The amount of the fee shall be one-half of one percent of the total loan amount. The amount of the fee may be included in the loan to the veteran and paid from the proceeds thereof.

"(b) A fee may not be collected under this section from a veteran who is receiving compensation (or who but for the receipt of retirement pay would be entitled to receive compensation) or from a surviving spouse described in section 1801(b)(2) of this title.

95 Stat. 1059.
38 USC 1801.

"(c) Fees collected under this section shall be deposited into the Treasury of the United States as miscellaneous receipts.

"(d) A fee may not be collected under this section with respect to any loan closed after September 30, 1985."

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1828 the following new item:

"1829. Loan fee."

(b) Section 1829 of title 38, United States Code, as added by subsection (a), shall apply only to loans closed after September 30, 1982.

38 USC 1829
note.

TITLE V—COMMERCE, SCIENCE, AND TRANSPORTATION

FEDERAL COMMUNICATIONS COMMISSION

SEC. 501. (a) Upon expiration of the term of office as a member of the Federal Communications Commission, which is prescribed by law to occur on June 30, 1982, any member appointed to fill such office after such date shall be appointed for a term which ends on June 30, 1983, and such office shall be abolished on July 1, 1983. Upon expiration of the term of office as a member of such Commission, which—

Term expiration;
office
abolishment.
47 USC 154 note.

(1) is prescribed by law;

(2) is in effect before the date of the enactment of this Act;

and

(3) is to occur on June 30, 1983;

no person shall be appointed to fill such office after such date, and such office shall be abolished on July 1, 1983.

(b)(1) Section 4(a) of the Communications Act of 1934 (47 U.S.C. 154(a)) is amended by striking out "seven" and inserting in lieu thereof "five".

(2) The last sentence of section 4(b) of the Communications Act of 1934 (47 U.S.C. 154(b)) is amended to read as follows: "The maximum number of commissioners who may be members of the same political party shall be a number equal to the least number of commissioners

which constitutes a majority of the full membership of the Commission."

(3) Section 4(h) of the Communications Act of 1934 (47 U.S.C. 154(h)) is amended by striking out "Four" and inserting in lieu thereof "Three".

Effective date.
47 USC 154 note.

(4) The amendments made in paragraphs (1), (2), and (3) of this subsection shall take effect on July 1, 1983.

INTERSTATE COMMERCE COMMISSION

Office
abolishment.
49 USC 10301
note.

SEC. 502. (a) Effective January 1, 1983, each office within the Interstate Commerce Commission provided in section 10301(b) of title 49, United States Code (except one of the two offices prescribed by law to expire on December 31, 1984), which was vacant on July 1, 1982, is abolished.

(b) Effective January 1, 1983, section 10301(b) of title 49, United States Code, is amended (1) by striking out "11" and inserting in lieu thereof "7", and (2) by striking out "6 members" and inserting in lieu thereof "4 members".

Term expiration;
office
abolishment.
49 USC 10301
note.

(c) Upon the expiration of the term of office as a member of the Interstate Commerce Commission which is prescribed by law to expire on December 31, 1982, any person appointed to fill such office after such date shall be appointed for a term of office which ends on December 31, 1985, and such office shall be abolished immediately after the expiration of that date.

49 USC 10301
note.

(d) Upon the expiration of the term of office as a member of the Interstate Commerce Commission which is prescribed by law to expire on December 31, 1983, any person appointed to fill such office after such date shall be appointed for a term of office which ends on December 31, 1985, and such office shall be abolished immediately after the expiration of that date.

(e) Effective January 1, 1986, section 10301(b) of title 49, United States Code, is amended (1) by striking out "7" and inserting in lieu thereof "5", and (2) by striking out "4 members" and inserting in lieu thereof "3 members".

49 USC 10301
note.

(f) Nothing in subsection (c) or (d) of this section shall be construed as prohibiting the reappointment of any person serving in such office in terms expiring on December 31, 1982, or December 31, 1983, respectively.

Term expiration.
49 USC 10301
note.

(g) The term of office of one of the two persons appointed to fill an office, as a member of the Interstate Commerce Commission, the term for which is prescribed by law to expire on December 31, 1987, shall end on December 31, 1991. At the time of the first of such two appointments, the President shall designate which appointment is to fill the term of office which shall end under the preceding sentence on December 31, 1991.

(h)(1) Section 10301(c) of title 49, United States Code, is amended by striking out "7 years" and inserting in lieu thereof "5 years".

(2) The amendment made by paragraph (1) of this subsection shall take effect on January 1, 1984, and shall apply to any person appointed, after such date, to fill any office, as a member of the Interstate Commerce Commission, the term for which is prescribed by law to expire after such date, except that such amendment shall not apply to the person designated by the President to fill the term of office which is to end under subsection (g) of this section on December 31, 1991.

Effective date.
49 USC 10301
note.

Approved September 8, 1982.

LEGISLATIVE HISTORY—H.R. 6955 (H.R. 6782) (H.R. 6812) (H.R. 6862) (H.R. 6892) (S. 2774):

HOUSE REPORTS: No. 97-660 accompanying H.R. 6782 (Comm. on Veterans' Affairs), No. 97-683 accompanying H.R. 6812 (Comm. on Banking, Finance and Urban Affairs), No. 97-687 accompanying H.R. 6892 (Comm. on Agriculture), Nos. 97-750 and 97-759 (Comms. of Conference).

SENATE REPORT No. 97-504 accompanying S. 2774 (Comm. on the Budget).
CONGRESSIONAL RECORD, Vol. 128 (1982):

July 27, H.R. 6782 considered and passed House.
Aug. 3, H.R. 6862 considered and passed House.
Aug. 4, 5, S. 2774 considered and passed Senate.
Aug. 5, H.R. 6812 considered and passed House.
Aug. 10, H.R. 6892 considered and passed House.
Aug. 10, considered and passed House.
Aug. 11, considered and passed Senate, amended, in lieu of S. 2774.
Aug. 18, House and Senate agreed to conference report.